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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 23-cv-20727-ALTMAN

RYAN BRESLOW, et al.,

Plaintiffs,

v.

MARK PHILLIPS, et al.,

Defendants.
_____/

DECLARATION OF NICOLAS BAX

I, Nicolas Bax, make the following declaration based on my personal knowledge:

1. My name is Nick Bax. I am over the age of 18, competent to testify, and have person knowledge of the matters stated herein.

2. I am a resident of Brookline, Massachusetts.

3. I am the co-founder and Head of Research of Convex Labs. Convex Labs is a blockchain intelligence company which specializes in identifying illicit activity and emerging threats in digital assets. Convex Labs's offerings include blockchain forensics, crypto asset due diligence, trade surveillance, money laundering tracing, and digital asset theft detection.

4. In my capacity as Head of Research for Convex Labs, I conduct crypto-tracing consulting, analysis, and research. I specialize in tracing “anonymity-enhanced cryptocurrencies” and analyzing cases of cryptocurrency fraud.

5. During my time at Convex Labs, I have authored the following publications:

A Guide to Effectively Cheating NFT Launches (and detecting cheaters) https://medium.com/@convexlabs/a-guide-to-effectively-cheating-nft-launches-and-detecting-cheaters-a76143ef8ad8

HonestNFT Shenanigan Scanning Tools https://github.com/Convex-Labs/honestnft-shenanigans

Tutela: An Open-Source Tool for Assessing User-Privacy on Ethereum and Tornado Cash https://arxiv.org/abs/2201.06811

6. I have been frequently cited in media publications as an expert on cryptocurrency fraud, including in Fortune, Forbes, Wired, and Vice.

7. I have been retained by Plaintiffs in this case to conduct a tracing analysis of transactions made from the DAO endowment[1] and DAO Developer[2] accounts in February 2023. Although my analysis is incomplete and ongoing, I have generated the following table to demonstrate my findings to date based on my review of the blockchain transaction records available on etherscan.io. See, e.g., Breslow Decl. ¶¶ 80, 90, 100, 101, Exhibits 30–39, 41, 48, 49.

[1] 0x143cC0A996De329C1C5723Ee4F15D2a40c1203c6

[2] 0x2187e6a7c765777d50213346F0Fe519fCA706fbD

No.	DATE	RECIPIENT	VALUE	CURR	Notes
1	2/2/2023	0x91898f9103cdba1546de834f6e26f019e09a0d4b	100,000	DAI	1st transaction 2/2/23
2	2/2/2023	0x57a16a385e86cd215def121e6887d23be8080d37	20,000	DAI	cookieslayer.eth
3	2/2/2023	0x91898f9103cdba1546de834f6e26f019e09a0d4b	100,000	DAI	1st transaction 2/2/23
4	2/2/2023	0x57a16a385e86cd215def121e6887d23be8080d37	15,000	DAI	cookieslayer.eth
5	2/2/2023	0xa4e6c2b6264652444b3f0cc1bb37496ae916931c	592,000	DAI	benreed.eth
6	2/2/2023	0xa4e6c2b6264652444b3f0cc1bb37496ae916931c	250,000	DAI	benreed.eth
7	2/2/2023	0x607d56643673649bd25aa47325a7a6afeffc3b4a	500,000	DAI	Tankbottoms created
8	2/2/2023	0x55ded454d3aeba95c901dae36568d99fc904d510	39.53	ETH	Robinhood exchange
9	2/2/2023	0x5d95baebb8412ad827287240a5c281e3bb30d27e	1,058,000	DAI	tankbottoms.eth
10	2/2/2023	0xa4e6c2b6264652444b3f0cc1bb37496ae916931c	322,034.67	DAI	benreed.eth
11	2/2/2023	0x4823e65c10daa3ef320e5e262cfa8d0a059e02a6	50,000	DAI	sveltedev.eth
12	2/5/2023	0x752515a3a1091b9f1c04416cf79d1f14d2340085	10	ETH	*service-provider.eth
13	2/6/2023	0x5044ff7f0ef531f3ace48fc1aff4dda429acde38	18.49	ETH	Unknown
14	2/6/2023	0xe41188926607921763d25392475f1156ac5f9033	13.39	ETH	jimmyethworld.eth
15	2/10/2023	0x752515a3a1091b9f1c04416cf79d1f14d2340085	3,877.50	DAI	*service-provider.eth
16	2/10/2023	0x823b92d6a4b2aed4b15675c7917c9f922ea8adad	10,000	DAI	jango.eth
17	2/10/2023	0x30670d81e487c80b9edc54370e6eaf943b6eab39	12,000	DAI	filipv.eth
18	2/13/2023	0xa4e6c2b6264652444b3f0cc1bb37496ae916931c	250,000	DAI	benreed.eth

8. I observed that 7,500,000 DAI and 805 Ethereum were transferred from the DAO endowment account to the DAO Developer account on February 2, 2023. See Breslow Decl. ¶ 79, Exhibits 28–29.

9. Based on my preliminary analysis, I have identified 18 transactions made from the DAO Developer account between February 2, 2023 and February 13, 2023.

10. At the moment, I have been unable to determine the identity or origin of the following accounts:

No. 11 - Sveltedev.eth: 0x4823e65c10daa3ef320e5e262cfa8d0a059e02a6

No. 13 - 0x5044ff7f0ef531f3ace48fc1aff4dda429acde38

No. 16 - Jango.eth: 0x823b92d6a4b2aed4b15675c7917c9f922ea8adad

No. 17 - filipv.eth: 0x30670d81e487c80b9edc54370e6eaf943b6eab39

11. For the purpose of my preliminary analysis, I am assuming that transfers to these four accounts are to so-called independent contractors. The total amount of assets transferred to those four accounts totals 72,000 DAI and 18.49 ETH ($30,383.51 by Ethereum's February 2, 2023 value). See Berg Decl., Exhibit C.

12. One transfer made within February 2023 was to the account held by jimmyethworld.eth,[3] which I understand to be a cryptocurrency wallet controlled by Plaintiff Jon Gordon. That transfer—No. 14 in my table—was made on February 6, 2023 for a total of 13.39 ETH.

13. Seven of the transfers made in February 2023 were made to accounts that I understand are known to belong to Defendants. Transfer Nos. 5, 6, 10, and 18 were sent from the DAO Developer account to what I understand to be Defendant Ben Reed's cryptocurrency account, benreed.eth,[4] for a total of 1,414,035 DAI. Transfer No. 9 was sent from the DAO Developer account to what I understand to be Defendant Mark Phillips's cryptocurrency account, tankbottoms.eth,[5] for a total of 1,058,000 DAI. Transfer Nos. 12 and 15 were sent from the DAO Developer account to what I understand to be a cryptocurrency account associated with dao-lawfirm.eth and controlled by Defendant Mark Phillips, *service-provider.eth,[6] for a total of $3,877.50 DAI and 10 ETH.

14. The remaining six transfers—Nos. 1, 2, 3, 4, 7, and 8—were made to accounts that Defendant Mark Phillips likely controls.

15. Transfer Nos. 1 and 3 were sent from the DAO Developer account to a cryptocurrency account held by an unnamed account with address 0x91898f9103cdba1546de834f6e26f019e09a0d4b for a total of 200,00 DAI. Defendant Phillips likely controls that account because it has only ever had three transactions—the two that sent it $200,000 DAI on February 2, 2023 and one other "spam" transaction on February 4, 2023.

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[3] 0xe41188926607921763d25392475f1156ac5f9033

[4] 0xa4e6c2b6264652444b3f0cc1bb37496ae916931c

[5] 0x5d95baebb8412ad827287240a5c281e3bb30d27e

[6] 0x752515a3a1091b9f1c04416cf79d1f14d2340085

Below is a snapshot of the Etherscan.io transaction record for that account, which shows that the first transfer the account received was on February 2, 2023—the same day that the transfers out of the DAO endowment account were made.

38 days 22 hrs ago	0x2187e6...CA706fbD	IN	0x91898f...E09A0d4B	100,000	Dai Stableco... (DAI)
38 days 23 hrs ago	0x2187e6...CA706fbD	IN	0x91898f...E09A0d4B	100,000	Dai Stableco... (DAI)

A true and correct copy of the Etherscan.io transaction record for that account is attached as Exhibit 1. Based on my experience investigating cryptocurrency fraud, a cryptocurrency account whose activity begins the same day that unauthorized transfers occurred, and whose maiden activity is the receipt of those unauthorized transfers, likely is controlled by the individual who caused the transfers to be made—in this case Defendant Phillips.

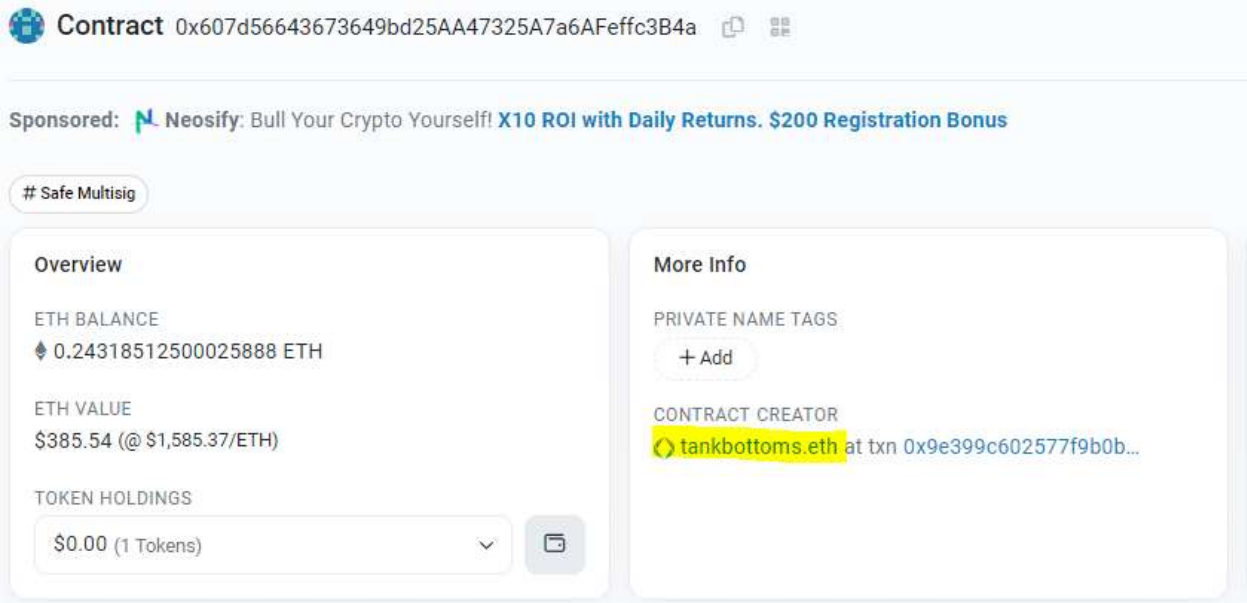
16. Transfer Nos. 2 and 4 were sent from the DAO Developer account to a cryptocurrency account held by cookieslayer.eth[7] for a total of $35,000 DAI. Defendant Phillips likely controls that account because cookieslayer.eth's ENS domain was registered by tankbottoms.eth, which I understand belongs to Defendant Phillips. Below is a snapshot of an Etherscan Ethereum Name Service (ENS) Lookup that shows the address associated with tankbottoms.eth registering cookieslayer.eth's ENS domain.

Transactions	Age	From	Actions
0xbc132c2fc47c88ade...	208 days 4 hrs ago	0x5d95ba...bB30d27E	setOwner
0xc3942b6f0e71262b7...	208 days 8 hrs ago	0x5d95ba...bB30d27E	registerWithConfig

Attached as Exhibit 2 is a true and correct copy of the Etherscan Ethereum Name Service Lookup page for cookieslayer.eth.

[7] 0x57a16a385e86cd215def121e6887d23be8080d37

17. Transfer No. 7 was sent from the DAO Developer account to a cryptocurrency account held by an unnamed account with address 0x607d56643673649bd25aa47325a7a6afeffc3b4a for 500,000 DAI. Defendant Phillips likely controls that account because it was created by tankbottoms.eth. Below is a snapshot of the Etherscan.io transaction record for that account, which shows that the contract for the account was created by tankbottoms.eth.



A true and correct copy of the Etherscan.io transaction record for that account is attached as Exhibit 3.

18. Transfer No. 8 was sent from the DAO Developer account to a deposit address at Robinhood for 39.53 ETH. Robinhood is used to convert cryptocurrency into fiat currency, such as U.S. dollars. The deposit address had previously received over a dozen transfers from tankbottoms.eth and other accounts connected to Phillips. Based on using analytical methods

published by Victor (2020)[8] and Wu, et al. (2022),[9] and my experience investigating cryptocurrency fraud, an exchange deposit address that frequently receives transfers from the same individual is likely associated with the exchange account of the individual transferring the funds—in this case Defendant Phillips. Attached as Exhibit 4 is a true and correct copy of the Etherscan.io transaction record for that account.

19. Excluding the transfers to the assumed "independent contractors" and jimmyethworld.eth, my analysis shows that 3,210,912 DAI and 49.53 ETH were transferred in February 2023 from the DAO Developer account to accounts that Defendants are known to control (Transfer Nos. 5, 6, 9, 10, 12, 15, and 18) and accounts that Defendant Phillips likely controls (Transfer Nos. 1, 2, 3, 4, 7, and 8).

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 13 day of March 2023.

DocuSigned by:
Nicolas Bax
55C21695C8C245B...
Nicolas Bax

[8] Friedhelm Victor. 2020. Address clustering heuristics for ethereum. In International Conference on Financial Cryptography and Data Security, pages 617– 633. Springer.

[9] Mike Wu, et al. 2022. Tutela: An Open-Source Tool for Assessing User-Privacy on Ethereum and Tornado Cash. arXiv.

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing document was served by the Court's CM/ECF system on March 13, 2023 on all counsel of record.

/s/ Jamie L. Katz
Jamie L. Katz

Exhibit 1

Address 0x91898f9103cDBA1546DE834F6E26f019E09A0d4B

Buy Exchange Earn Gaming

Sponsored: **CryptoSlots** - $1,000,000 Jackpot & Provably Fair Casino Games **Click for games!**

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Overview

ETH BALANCE
0 ETH

ETH VALUE
$0.00

TOKEN HOLDINGS
$197,940.60 (2 Tokens)

More Info

PRIVATE NAME TAGS
+ Add

NO TXNS SENT FROM THIS ADDRESS

Sponsored

Transactions Token Transfers (ERC-20) Analytics Comments

Latest 3 ERC-20 Token Transfer Events

	Txn Hash	Age	From		To	Value	Token
	0x08673873e752e187...	36 days 11 hrs ago	Uniswap Protocol: UNI ...	IN	0x91898f...E09A0d4B	800	ERC-20: twe.....ap)
	0x4b7dcb8eb3e393d1...	38 days 22 hrs ago	0x2187e6...CA706fbD	IN	0x91898f...E09A0d4B	100,000	Dai Stableco... (DAI)
	0x135ad3491ad6cdb0...	38 days 23 hrs ago	0x2187e6...CA706fbD	IN	0x91898f...E09A0d4B	100,000	Dai Stableco... (DAI)

[Download: CSV Export]

A wallet address is a publicly available address that allows its owner to receive funds from another party. To access the funds in an address, you must have its private key. Learn more about addresses in our Knowledge Base.

Exhibit 2

Ethereum Name Service (ENS) Lookup

Search ENS name or address

Featured: Bridging tokens between Ethereum, Layer 2 and other chains? Browse through the Blockscan **bridges list.**

Ethereum Name Lookup / Search Results

Result for cookieslayer.eth

Overview

Resolved Address:
0x57a16a385e86cd215deF121E6887D23Be8080d37

Expiration Date:
2025.08.16 at 19:08

Registrant:
0x57a16a385e86cd215deF121E6887D23Be8080d37 Lookup names

Controller:
0x57a16a385e86cd215deF121E6887D23Be8080d37 Lookup names

DNS Owner:
0x57a16a385e86cd215deF121E6887D23Be8080d37 Lookup names

Token ID:
232716614317638084193933650017428967429140170264849070609064117333283302169 2

Other Addresses:
ETH 0x57a16a385e86cd215deF121E6887D23Be8080d37

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Related Transactions

Transactions	Age	From	Actions
0xbc132c2fc47c88ade...	208 days 4 hrs ago	0x5d95ba...bB30d27E	setOwner
0xc3942b6f0e71262b7...	208 days 8 hrs ago	0x5d95ba...bB30d27E	registerWithConfig

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Exhibit 3

Contract 0x607d56643673649bd25AA47325A7a6AFeffc3B4a

Buy Exchange Earn Gaming

Sponsored: **Neosify**: Bull Your Crypto Yourself! **X10 ROI with Daily Returns. $200 Registration Bonus**

Safe Multisig

More

Overview

ETH BALANCE

0.24318512500025888 ETH

ETH VALUE

$385.54 (@ $1,585.37/ETH)

TOKEN HOLDINGS

$0.00 (1 Tokens)

More Info

PRIVATE NAME TAGS

+ Add

CONTRACT CREATOR

tankbottoms.eth at txn 0x9e399c602577f9b0b...

Multi Chain

MULTICHAIN ADDRESSES

1 address found via Blockscan

Ad

Blockscan Chat | Wallet-to-wallet instant messaging platform. Start Chat

Transactions Internal Transactions Token Transfers (ERC-20) Contract Events Analytics Comments

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Got it!

Latest 4 ERC-20 Token Transfer Events

	Txn Hash	Age	From		To
	0x720fde33c5b513d97...	34 days 2 hrs ago	0x7269eb...237A4F87	IN	0x607d56...effc3B4a
	0xfe03eed30552fc68e...	34 days 2 hrs ago	0x607d56...effc3B4a	OUT	0x7269eb...237A4F87
	0x9e7a97ff8fc248733...	34 days 2 hrs ago	0x607d56...effc3B4a	OUT	0x7269eb...237A4F87
	0xb5a098ecb5adf2ab8...	38 days 22 hrs ago	0x2187e6...CA706fbD	IN	0x607d56...effc3B4a

[Download: CSV Export]

A contract address hosts a smart contract, which is a set of code stored on the blockchain that runs when predetermined conditions are met. Learn more about addresses in our Knowledge Base.

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Exhibit 4

Transactions

For 0x55ded454d3aeba95c901dae36568d99fc904d510

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A total of 34 transactions found

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Txn Hash	Method	Block	Age	From		To	Value
0xb743e9910b98f40e8...	Transfer	16707129	15 days 21 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	5 ETH
0xf969c47a865aada00...	Transfer	16638599	25 days 13 hrs ago	0x55dEd4...c904d510	OUT	0xa26e73...4fcC4A04	4.49868202 E
0x8d5907628293c18c...	Transfer	16638438	25 days 13 hrs ago	developer.beef69.eth	IN	0x55dEd4...c904d510	4.5 ETH
0xf12cd572e4eb166c1...	Transfer	16586395	32 days 20 hrs ago	0x55dEd4...c904d510	OUT	0xa26e73...4fcC4A04	642.5290783
0xd331b66834ff723d7...	Transfer	16541388	39 days 3 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	603.0003256
0x5f41773b87de672a1...	Transfer	16190760	88 days 1 hr ago	0x55dEd4...c904d510	OUT	0xa26e73...4fcC4A04	69.99959745
0xaae1a90b2c87ab02...	Transfer	15963588	119 days 19 hrs ago	0x55dEd4...c904d510	OUT	0xa26e73...4fcC4A04	84.99963068
0xf282273e3d8e206b5...	Transfer	15854377	135 days 1 hr ago	*natasha-pankina.eth	IN	0x55dEd4...c904d510	10 ETH
0x7fc34ddd09e0fdbcf...	Transfer	15835183	137 days 18 hrs ago	0x55dEd4...c904d510	OUT	0xa26e73...4fcC4A04	266.1136020
0x1d4bfd306759ddb9...	Transfer	15663425	161 days 18 hrs ago	meowsdao.eth	IN	0x55dEd4...c904d510	15.5 ETH
0x85cbb45ecd98b4bb...	Transfer	15657717	162 days 13 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	77 ETH
0xe25b617e820ea697...	Transfer	15645720	164 days 5 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	51 ETH

	Txn Hash	Method	Block	Age	From		To	Value
	0x40c8e15c45b71ad9f...	Transfer	15643254	164 days 13 hrs ago	0xC582D5...22F9B383	IN	0x55dEd4...c904d510	115 ETH
	0x31842a610c7dc5d6...	Transfer	15543072	178 days 14 hrs ago	0x55dEd4...c904d510	OUT	0xa26e73...4fcC4A04	642.3409084
	0x53db6bf4e480bd407...	Transfer	15480472	188 days 17 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	125 ETH
	0x7e057e6f6243d8f07...	Transfer	15479489	188 days 21 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	19 ETH
	0xbf517b48d55004a7...	Transfer	15425931	197 days 11 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	5 ETH
	0xbbde89efd891675de...	Transfer	15419863	198 days 10 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	11 ETH
	0xeee4d499b9063237...	Transfer	15389895	203 days 5 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	10 ETH
	0xad7dde51dd912479...	Transfer	15384221	204 days 3 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	15 ETH
	0x45648ee31310faefd...	Transfer	15373257	205 days 20 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	14.7 ETH
	0x3ee8c2151bff55acc...	Transfer	15362137	207 days 15 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	27.05 ETH
	0x9d620c981ad05c37...	Transfer	15331200	212 days 12 hrs ago	*natasha-pankina.eth	IN	0x55dEd4...c904d510	14.5 ETH
	0x236a908301083634f...	Transfer	15331192	212 days 12 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	35 ETH
	0xc032b611c3ca8961...	Transfer	15318072	214 days 14 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	26.25030188
	0x3c254d26b1c282f09...	Transfer	15303351	216 days 21 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	127 ETH
	0xd2baf347c14384f65...	Transfer	15058358	254 days 21 hrs ago	0x55dEd4...c904d510	OUT	0xa26e73...4fcC4A04	60.23055443
	0x9ef847e66f2d1b426...	Transfer	14982519	268 days 14 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	15.15 ETH
	0x83561d11760f6062...	Transfer	14859314	289 days 7 hrs ago	Coinbase 5	IN	0x55dEd4...c904d510	26.87566007

	Txn Hash	Method	Block	Age	From		To	Value
	0xefd861d3ba68ebf98...	Transfer	14851840	290 days 13 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	0.5 ETH
	0x3bab5066ed2bd20b...	Transfer	14844512	291 days 17 hrs ago	*natasha-pankina.eth	IN	0x55dEd4...c904d510	7.5 ETH
	0x6cccb86a0617bf191...	Transfer	14830669	293 days 23 hrs ago	tankbottoms.eth	IN	0x55dEd4...c904d510	5 ETH
	0x7d5276001956b3c6...	Transfer	14745740	307 days 15 hrs ago	0xF37F0E...38AdDaAB	IN	0x55dEd4...c904d510	0.147 ETH
	0x435da2b14bcfedfbf...	Transfer	14733663	309 days 13 hrs ago	*service-provider.eth	IN	0x55dEd4...c904d510	0.05885654 E

Show: 50 Records

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A transaction is a cryptographically signed instruction that changes the blockchain state. Block explorers track the details of all transactions in the network. Learn more about transactions in our Knowledge Base.